

## Report in Brief

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U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Audit

Extramural research awards accounted for more than 84 percent of the \$45 billion that the National Institutes of Health (NIH) received in funding for Federal fiscal year 2022. Prior OIG work highlighted an increased need for transparency in research funding and identified several areas in which NIH could improve how it oversees the grants that it awards each year. This audit of Saint Louis University (the University) is part of a series of audits of institutions of higher education.

Our objectives were to determine whether the University: (1) managed NIH awards in accordance with Federal and award requirements and (2) had policies and procedures in place that were designed to meet Financial Conflict of Interest (FCOI) requirements for training and monitoring.

### How OIG Did This Audit

Our audit covered costs totaling almost \$67 million associated with 795 NIH awards (managed in 500 award fund accounts) that the University received between January 1, 2017, and December 31, 2019.

We reviewed the University's policies and procedures to determine whether the University had controls in place, and we judgmentally selected 5 of the University's 500 award fund accounts, from which we judgmentally selected and reviewed 31 costs totaling \$426,443 that the University charged to the awards.

## Saint Louis University's Management of NIH Grant Awards Did Not Comply With All Federal Requirements but Complied With Financial Conflict of Interest Requirements

### What OIG Found

The University did not always manage NIH awards in accordance with Federal and award requirements. Specifically, of the 31 judgmentally selected costs totaling \$426,443 that we reviewed, we determined that 6 costs totaling \$42,578 did not comply with Federal and award requirements for allowability of costs. These errors occurred because the controls that the University had in place, to include policies and procedures, were inadequate to ensure that the University always managed its NIH awards in accordance with Federal and award requirements. For our second objective, we determined that the University had policies and procedures in place that were designed to meet FCOI requirements for training and monitoring of outside interest disclosures.

We also determined that the University's controls, including policies and procedures, were not always sufficient to ensure that it properly monitored subawards to identify possible investigator misconduct that may have impacted the conduct or performance of another NIH award. Of the 31 judgmentally selected costs we reviewed, 1 subrecipient cost was associated with possible subrecipient investigator misconduct in an unrelated NIH award not associated with the University.

### What OIG Recommends and Saint Louis University Comments

We recommend that the University: (1) refund \$263 to NIH for unallowable travel costs; (2) ensure that it always manages NIH awards in accordance with Federal and award requirements, by strengthening procedures and controls; (3) enhance its existing controls by developing and implementing policies and procedures to ensure that either the internal audits conducted by its internal audit firm, the University's compliance department, or both, review costs that the University claims for its NIH awards; and (4) strengthen its controls, to include policies and procedures, to ensure that it properly monitors its subaward subrecipients.

The University concurred with all of our recommendations and described corrective actions it had taken or planned to take. Specifically, the University stated that it had refunded to NIH the full amount of the unallowable travel expenditure and that it had implemented a new automated financial system, a restructuring of its grants accounting function, the updating of policy, and plans to provide additional training to staff.